Introduced by Assembly Member Grove

February 17, 2011

An act to amend Section 22200 of the Education Code, and to amend Section 20090 of the Government Code, relating to retirement.

LEGISLATIVE COUNSEL'S DIGEST

AB 870, as introduced, Grove. Retirement.

The Teachers' Retirement Law establishes the State Teachers' Retirement System which is administered by the Teachers' Retirement Board. That law authorizes a person who is employed to perform creditable service by a community college district and either a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, to only be elected to the position on the board that corresponds to the position in which he or she accrued the most service credit during the prior school year.

The Public Employees' Retirement Law (PERL) vests the Board of Administration of the Public Employees' Retirement System with the management and control of the Public Employees' Retirement System. PERL provides that the board includes one member of the State Personnel Board, selected by, and serving at the pleasure of, the State Personnel Board.

This bill would make technical, nonsubstantive changes to those provisions.

Vote: majority. Appropriation: no. Fiscal committee: no. State-mandated local program: no.

AB 870 -2-

The people of the State of California do enact as follows:

SECTION 1. Section 22200 of the Education Code is amended 1 2 to read:

- 3 22200. (a) The plan and the system are administered by the Teachers' Retirement Board. On and after January 1, 2004, the 4 5 members of the board are as follows:
 - (1) The Superintendent of Public Instruction.
 - (2) The Controller.
- 8 (3) The Treasurer.

6 7

9

11

13

14

15

16 17

18 19

20

21

22

23

24

25

26

27

28

29

30

31 32

33

34

35

36

37

- (4) The Director of Finance.
- (5) Three persons who are either members of the Defined Benefit 10 Program or participants in the Cash Balance Benefit Program, as 12 follows:
 - (A) One person who, at the time of election, is an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, in a position other than a school administrator that requires a services credential with a specialization in administrative services. This member shall be elected by the active members of the Defined Benefit Program and active participants of the Cash Balance Benefit Program who are employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or county office of education, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.
 - (B) One person who, at the time of election, is an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education. This member shall be elected by the active members of the Defined Benefit Program and active participants of the Cash Balance Benefit Program who are employed by a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

-3- AB 870

(C) One person who, at the time of election, is a community college instructor and an active member of the Defined Benefit Program or an active participant of the Cash Balance Benefit Program employed by a community college district, who shall be elected by the active community college members of the Defined Benefit Program and the active community college participants of the Cash Balance Benefit Program, pursuant to regulations adopted by the board, for a four-year term commencing on January 1, 2004.

- (6) Five persons appointed by the Governor for a term of four years, subject to confirmation by the Senate, as follows:
- (A) One person who, at the time of appointment, is a member of the governing board of a school district or a community college district
- (B) One person who is either a retired member under this part or a retired participant under Part 14 (commencing with Section 26000).
- (C) Three persons representing the public, whose terms shall be staggered by varying the first terms of these members, as follows:
 - (i) One person to a term expiring December 31, 2005.
 - (ii) One person to a term expiring December 31, 2006.
 - (iii) One person to a term expiring December 31, 2007.
- (b) A person who is employed to perform creditable service by a community college district and either a school district that provides instruction for prekindergarten, kindergarten, or grades 1 to 12, inclusive, or a county office of education, education may only be elected to the position on the board that corresponds to the position in which he or she accrued the most service credit during the prior school year.
- (c) The members of the board shall annually elect a chairperson and vice chairperson.
- 32 SEC. 2. Section 20090 of the Government Code is amended to read:
- 20090. The Board of Administration of the Public Employees'
 Retirement System is continued in existence. It consists of:
- 36 (a) One member of the State Personnel Board, selected by, and serving at the pleasure of, the State Personnel Board.
 - (b) The Director of the Department of Personnel Administration.
- 39 (c) The Controller.

40 (d) The State Treasurer.

AB 870 —4—

1

2

3 4

5 6

10

11

12 13

14 15

16

(e) An official of a life insurer and an elected official of a contracting agency, appointed by the Governor.

- (f) One person representing the public, appointed jointly by the Speaker of the Assembly and the Senate Committee on Rules.
- (g) Six members elected under the supervision of the board as follows:
- 7 (1) Two members elected by the members of this system from 8 the membership thereof.
 - (2) A member elected by the active state members of this system from the state membership thereof.
 - (3) A member elected by and from the active local members of this system who are employees of a school district or a county superintendent of schools.
 - (4) A member elected by and from the active local members of this system other than those who are employees of a school district or a county superintendent of schools.
- 17 (5) A member elected by and from the retired members of this system.